

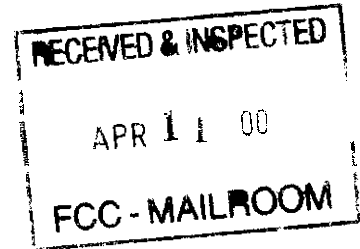
# ***Grady Municipal Schools***

***"Excellence in Education"***

***P.O. Box 71 / (505) 357-2192***

***GRADY, NEWMEXICO 88/20***

***FAX (505) 357-2000***



April 3, 2007

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Dear Ms. Dortch:

This is Request for Appeal of a Funding Commitment Decision Letter from USAC  
CC Docket No. 02-6:

Form 471 Application Number:	537939
Billed Entity Number (BEN):	143334
Billed Entity FCC RN:	0001609098
Applicant's Form Identifier:	EChalk0607
Funding Request Number:	1489868
Funding Year 2006: 07/01/2006-06/30/2007	
CC Docket No.	02-6

The Online Item 21 Attachment was timely filed electronically with the Form 471. This attachment was filed along with the Form 471. I have enclosed a copy of this attachment.

Please contact:

Brenda Lindsey  
Technology Advisor  
Grady Municipal Schools  
(505) 357-2192  
[blindsey0823@hotmail.com](mailto:blindsey0823@hotmail.com)

Thank you for your assistance

*Brenda Lindsey*

Brenda Lindsey  
Technology Advisor

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**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal - Funding Year 2006-2007**

February 21, 2007

Brenda Lindsey  
Grady Municipal School District  
100 Franklin St  
Grady, NM 88120

Re: Applicant Name: GRADY MUNICIPAL SCHOOL DIST  
Billed Entity Number: 143334  
Form 471 Application Number: 537939  
Funding Request Number(s): 1489868  
Your Correspondence Dated: January 18, 2007

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2006 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1489868  
Decision on Appeal: **Denied**  
Explanation:

- Upon thorough review of the appeal letter and the relevant documentation, USAC has determined that Grady Municipal School District failed to respond to the Program Integrity Assurance (PIA) inquiries in a timely manner. PIA made initial contact with Brenda Lindsey, the applicant's authorized contact on November 9, 2006 via email and fax and asked for the Item 21 attachments. The applicant was instructed that the request was time sensitive and that a response **was** expected within fifteen calendar days. The record shows that on November 17, 2006 PIA contacted and reminded the applicant that the requested documentation due date was November 24, 2006. As this information was not forthcoming, USAC was unable to determine if your funding request was in compliance with Program Rules. Therefore, the funding request was denied. On appeal, you have failed to provide any evidence that USAC erred in its initial determination or that the

Grady Municipal School District responded to USAC's requests for additional documentation in a timely manner. Consequently, your appeal is denied.

- USAC reviews Form 471 applications and makes funding commitment decisions in compliance with FCC rules. See 47 C.F.R. sec. 54.500 et. seq. To conduct these reviews, USAC has put in place administrative measures to ensure the prompt resolution of applications. If applicants do not respond within the designated time period, USAC reviews the application based on the information before it. See Request for Review by Marshall County School District, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., CC Docket Nos. 96-45 and 97-21, 18 FCC Rcd. 4520,4522, Order, DA 03-764 para. 6 (rel. Mar. 13, 2003). (Marshall County) Typically applicants are required to respond to USAC's requests for additional information necessary to complete their application within 15 days of being contacted. See Request for Review of the Decision of the Universal Service Administrator by Bishop Perry Middle School, CC Docket No, 02-6, Order, FCC 06-54 para. 23 (rel. May 19, 2006). Id.; SLD section of the USAC website, Reference Area, "Deadline for Information Requests," [www.usac.org/sl](http://www.usac.org/sl). This procedure is necessary to prevent undue delays during the application review process.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

Item 21 Attachment # \_\_\_\_\_

## Item 21 Description of eChalk's Service

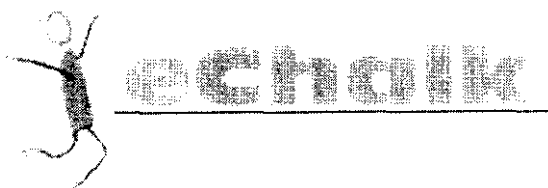
eChalk is the nation's leading provider of Web-based email and Web hosting services to K-12 schools and school districts. eChalk is safe for students, 100% advertising-free, CIPA compliant, requires no new hardware or software, and includes ongoing upgrades and customer support.

Company Name: eChalk Inc.  
 SPIN Number: 143020189  
 FCC Registration Number: 0011589322  
 Category of Service: Internet Access  
 Dates of Service: 7/1/2006 thru 6/30/2007  
 Contract Expiration Date: 6/30/2007  
 Applicant Name: Grady Municipal School District  
 Billed Entity Number: 143334  
 Total Cost: \$4,175.00  
 Total Eligible Cost: \$3,966.25  
 Total Ineligible Cost: \$208.75

Service Description	Units	Quantity	Price per Unit	Years	Total Cost
<b>Standard Email &amp; Web Hosting Services (Eligible for E-Rate Discounts)</b>					
installation	Sites	1.0	\$1,900.00	One-time fee	\$1,900.00
Maintenance	Sites	1.0	\$1,425.00	1 yr	\$1,425.00
User Accounts	Users	75.0	\$8.55	1 yr	\$641.25
<b>Subtotal for Standard Email &amp; Web Hosting Services</b>					<b>\$3,966.25</b>
<b>E-rate Discount (based on a reported discount rate of 77%)</b>					<b>(\$3,054.01)</b>
<b>Standard File Storage Services' (Not Eligible for E-Rate Discounts)</b>					
installation	Sites	1.0	\$100.00	One-time fee	\$100.00
Maintenance	Sites	1.0	\$75.00	1 yr	\$75.00
User Accounts	Users	75.0	\$0.45	1 yr	\$33.75
<b>Subtotal for Standard File Storage Services</b>					<b>\$208.75</b>
<b>Total Cost</b>					<b>\$4,175.00</b>
<b>Total Cost to Grady Municipal School District'</b>					<b>\$1,120.99</b>

<sup>1</sup>eChalk has attributed 5% of the cost of its system to the File Storage component which is not eligible for E-rate discounts.

<sup>2</sup>The decision to purchase eChalk's service is contingent upon the Schools and Libraries Division of the Universal Service Administrative Company issuing a Funding Commitment Decision Letter in support of the school or district's funding request.



February 15, 2006

Ms. Brenda Lindsey  
Technology Coordinator  
Grady Municipal School District  
100 Franklin Street  
Grady, NM 88120

Dear Ms. Lindsey,

I am pleased to submit this proposal to you regarding eChalk's service. This document should hopefully answer any questions you may have and provide you with the information you need to move forward with E-rate this year.

From my conversation with Mr. Rucker, I understand that you aim to provide email and Web hosting service to roughly 75 faculty, staff, and students at your school. Because you are providing students with email accounts, you need to ensure a controlled, safe, and school-focused environment. At the same time, you wish to minimize the technical burden a system like this can often create.

As you may know, eChalk is the nation's leading provider of Web-based communication services to K-12 schools including Fort Sumner, Floyd Municipal, and Texico Municipal. Our solution provides a powerful email and Web hosting application that includes tools such as school calendars, file storage, online classes, and staff directories (see attached "Description of Services" for more information). Because eChalk is hosted remotely, you need no additional hardware, software, or personnel to use the service and you can implement the system quickly and easily while keeping your technology costs low (see attached "Total Cost of Ownership for School Communication Systems"). Future upgrades are free and automatic and we guarantee over 99% uptime (see attached "Service Level Agreement").

Attached is pricing information to implement eChalk's service at Grady Municipal School District in the configuration I discussed with Mr. Rucker. For your convenience, I have broken out the costs related to email and Web hosting service because they are eligible for E-rate discounts under the fully funded, Priority One, "Internet Access" category. The remaining costs reflect other eChalk capabilities that are not eligible for E-rate funding. Under this configuration, the total cost of eChalk's service is \$4,175.00. At an E-rate discount of 77%, however, the actual cost to Grady Municipal School District is \$1,120.99 with E-rate covering the balance of \$3,054.01.

To better assist you in your E-rate filing process, I have included an "E-rate Form 471: Block 5" and an "Item 21 Description of eChalk's Service" which both contain the specific calculations you will need to submit your Form 471 application.

Please contact me if you have any questions about this proposal or if you would like to make any changes to this configuration. I am also happy to provide any additional information you may need in order to complete your E-rate application.

Thank you for your interest in eChalk and I look forward to the opportunity of working with you

Sincerely,

Marc Grossman  
Account Representative  
(800) 809-3349

MGrossman@eChalk.com

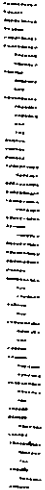
Proposal Elements:

- Pricing Detail
- E-rate Form 471: Block 5
- Item 21 Description of eChalk's Service
- Proposal (PDF: 99KB)
- Selected Screen Shots (PowerPoint: 792KB)
- Description of Services (PDF: 141KB)
- Technical Overview (PDF: 269KB)
- Service Level Agreement (SLA) (PDF: 167KB)
- TCO for School Communication Systems (PDF: 268KB)

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eChalk Inc. 199 Water Street, 16th Floor New York, NY 10038 Phone 800-809-3349 Fax' 212-809-8500 www.eChalk.com

Grady Municipal School  
100 F  
Grady, NM 88120



Route  
**Tina**  
Delivery Point  
**TW-B204**  
04/11/07  
10:24:57  
QMD  
PO# GRADY MUNICIPAL SCHO  
S# 7099322000184068014  
7099322000184068014  
W102005305



7099 3220 0001 8406 8014

**RETURN RECEIPT  
REQUESTED**

RECEIVED & INSPEC  
APR 11 2007  
FCC-MAILROOM



Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12th Street, SW  
Washington, DC 20554